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Report Highlights: As farmers adapt to the liberalized beef and cattle market, contraction of hanwoo beef cattle has stopped. 2003 should continue to see gradual increases in beef imports. Chilled beef and pork imports are expected to increase to meet consumer preferences. Australia will continue its efforts to ship live feeding cattle but success will depend on whether they overcome farmer protests. Korea is expected to be recognized by OIE for being free from FMD in late 2002 with resumption of pork exports to Japan, its largest export market, following in March 2003.

Includes PSD changes: Yes
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Section I: Situation and Outlook

Eighteen months after the full market liberalization of beef and cattle imports on January 1, 2001, the Korean beef market finally stabilized in June 2002. Favorable hanwoo cattle price throughout this period and increased farmer confidence in hanwoo production prospects prompted farmers to resume increasing herd sizes. The FMD outbreak in May 2002 had little effect on cattle production and consumption, as it was overshadowed by the 2002 FIFA World cup soccer matches held in Korea. Five cases of BSE in Japan also received little attention in Korea during this period. In September, Australia will attempt to export live cattle to Korea again after failing in April 2001. Results of the first shipment's success will be a clear indicator of the prospects for future shipments of live cattle in 2003.

Uncertainty in the economic situation for 2003 limits prospects for huge increases in meat consumption. This is especially true as Korea is heavily dependent upon the U.S. economic situation as well as oil prices that would be expected to skyrocket if war breaks out in the Middle East. Despite such uncertainty for the economic situation in 2003, Korea is expected to continue to gradually increase meat consumption as they change their dietary pattern from grain/vegetable based to a more meat-based diet.

Smaller butcher shops are slowly adjusting to regulation changes which removed the requirement for separate distribution systems for imported and domestic beef as of September 10, 2001. However, existing major hypermarkets and discount stores continue to maintain the separate system having already made the investment. Nonetheless, newly opened shops are adopting the new "one-counter" system to reduce costs.

As of July 1, 2002, Korea began allowing the freezing of chilled meat as it gets close to the end of its shelf-life. This has given more flexibility for meat retailers to try to handle more imported chilled meat than in the past when they had to dump what they could not sell within the shelf-life. Promotion of chilled beef as well as 'prime' cuts are also attracting favorable interest of consumers for imported beef. Promotional activity of chilled pork in retail stores by USMEF took place for the first time in May 2002. However, despite successful marketing results, USMEF had to stop this program after two activities due to budget constraints. In contrast, Canada continues its instore promotion of chilled pork bellies. Continued marketing efforts are needed to increase consumer perceptions of U.S. chilled pork cuts in 2003 and future years.

In May 2002 as Korea had just managed to ship a couple of containers of pork to Japan after being shut out of the market for about two years due to the outbreak of FMD in March 2000 when another FMD outbreak occurred. This shattered hopes of resuming pork exports at full scale in 2002. In order to minimize the length of time out of the market, Korea choose not to vaccinate the animals during the 2002 outbreak in contrast to the 2000 outbreak when animals were vaccinated.

Korea plans to request that the Organization International de Epiological (OIE) recognize Korea as free of Foot & Mouth Disease (FMD) on September 24, 2002; three months after the last slaughter/burial of animals from infected farms. As final FMD-free recognition will not take place until the end of November at OIE's FMD meeting in France (followed by bilateral consultations), Korea will be able to resume full scale pork exports to Japan, its largest export market, until spring of 2003.

Section II: Cattle, Beef, and Veal

Production

Contraction of the national Hanwoo herd finally stopped in mid-summer of 2002. Domestic producers embarked on the contraction track in late 2000 prompted by fears of liberalization of Korea's cattle and beef market on January 1, 2001. However, plans to import live Australian cattle in 2001 for feeding and slaughtering in Korea failed due to strong protests from farmers. Consequently, Hanwoo cattle continued to receive high prices, and farmers' confidence in market demand increased. As a result, many farmers have opted to resume increasing their herd size. The inventory began to climb in June 2002 and is expected to continue its trend into 2003. The outbreak of Foot and Mouth Disease in May 2002 has had little impact on cattle production as the disease mostly hit swine farms.

Australia plans to try to bring in a few more shipments of live cattle again in the second half of 2002. The success of the shipment will determine the prospects for future imports. Even without farmer protests, Korea is able to import only around 8,500 head of live cattle per year because of the current size of the quarantine facility. The Australian shipment may generate negative reactions from the farmers. However, the limited number of head to be shipped is not expected to be a major variable in the domestic market.

The dairy sector is facing a huge stock of dried milk powder. In efforts to control the production, the dairy industry is trying to voluntarily reduce the dairy herd size by 30,000 head. However, so far, there has been very little progress due to lack of cooperation by farmers.

The Ministry of Agriculture and Forestry (MAF) has been operating several programs, including the Hanwoo Integrated Measures Program, to stimulate greater on-farm retention of breeding stock and calf production. The effect of these programs on the national herd has begun to appear in the form of a slower rate of cow slaughter, a more stable market, and an increase in the cow/calf ratio.

Several major MAF initiatives are expected to have an impact on production in 2002. The initiatives are detailed below. Unlike the swine sector, efforts to obtain preliminary 2003 budget numbers for some of these programs were unsuccessful. However, given the successful turnaround of the downsizing of the cattle herd, it is likely that the government will continue to strengthen these programs. Additional detailed information about the following programs can be found in KS2005.

Project for Stabilization of Calf Production: This program establishes a market floor price (minimum standard price) for calves at 1.2 million won per head. The program pays participants, at the time of calf marketing, the difference between the market price and market floor price (up to 250,000 won per calf). For 2002, the program budget is 60,097 million won (approximately \$51 million).

Establishment of Calf Production Base: This program is designed to encourage development of larger farm operations devoted to cow/calf production. In 2002, the MAF goal is to establish 10 such base farms, each with a minimum 20 hectares of grassland. The 2002 program budget is 5,773 million won (approximately \$4.8 million).

Subsidy for Multi-production of Hanwoo Beef Cattle: This program, working in conjunction with the Project for

Stabilization of Calf Production, is designed to encourage retention of Hanwoo breeding stock using an incentive program based on live-Hanwoo calf births. Under this program producers are paid the following subsidy per Hanwoo calf born to a cow:

third calf - 200,000 won (around \$168)

fourth calf - 200,000 won (around \$168)

Fifth calf - 300,000 won (around \$252)

For 2002, the program budget is 27,175 million won (approximately \$20.7 million). A total of 113,000 head of calves received 23,459 million won (about \$19.7 million won) during the period Jan.-Jun., 2002.

Also found under the Hanwoo Integrated Measures Program is a sub-program designed to improve the quality of Hanwoo beef. This program provides support (200,000 won or \$150 per head) toward castration of Hanwoo bulls. For 2002, the program budget is 16,800 million won (\$14.1 million).

In June 2002, the cow/calf ratio reached its highest level in since four and half years ago. The cow/calf ratio began to drop in December 1997 and gradually, with ups and downs in between, began to increase after reaching its bottom in March 2000. Such a trend shows the farmers' confidence level in the future of the Hanwoo beef cattle market. Thus, we should continue to see a stable gradual increase in herd size as Hanwoo establishes its market in the high-end consumption side, maintaining high quality and high price, while the bulk of the consumption is gradually met by more price-competitive imported beef.

Consumption/Utilization/Stocks

Successful marketing of imported chilled beef as well as U.S. prime cut beef has allowed for a smooth transfer of consumers on the marginal line from Hanwoo to imported beef. The price difference of 3-4 times between U.S. prime cut and high quality Hanwoo beef has led consumers to turn their market toward imported beef. As the price difference between Hanwoo beef and imported beef is not expected to drop in the near future (given the recent appreciation of Korean currency), such trends are expected to continue into 2003.

Health safety fears over BSE outbreaks in Japan and FMD outbreaks in Korea were overshadowed by nationwide soccer fever during the 2002 FIFA World cup match. As foreign press coverage of BSE and FMD outbreaks in European nations subsides, marketing efforts focusing on safe and cheap imported beef have begun to bear fruit. Imported beef, as a percent of total beef consumed, should continue to increase given the high domestic cattle prices.

The U.S. government continues to work with counterparts in the Korean government reviewing food safety standards with the goal of conforming Korean standards with international standards and practices. The most recent case regarded Korean standards controlling marketing of products stored in different physical states (frozen vs. chilled) which was changed as of July 1, 2002. Now, retailers are allowed to freeze their meat as they get close to the end of the shelf-life for fresh/chilled meat. Such changes have given more room for retailers to try to promote higher priced chilled beef without running the risk of having to dump the product at the end of its shelf-life for fresh/chilled meat. Therefore, such flexibility should encourage increased imports of chilled meat.

As of September 10, 2001, the last vestige of Korea's WTO-inconsistent beef distribution system was removed with abolition of the separate retail system. After a few months of seeing how the wind blows, some smaller butcher shops are now slowly beginning to market both imported and domestic beef on the same shelf with country of origin labeling.

However, larger-sized hypermarket and department stores still choose to market imported and domestic beef on separate counters and shelves, as they have already invested in the separate shelves and counters. Newly constructed department stores and other new sales points are expected to adapt this change by marketing imported and domestic products together to reduce costs. Contrary to Korean officials' fears of a rapid consolidation of retail outlets and fraudulent behavior, no negative actions have occurred.

Major international suppliers have initiated a bevy of market promotion activities already in 2002. USMEF continues to carry full page advertisements in major daily newspapers for 'prime beef,' "high-quality chilled beef," in addition to in-store promotions. Australia is following a similar marketing strategy, with ads in newspapers while also holding in-store market promotions. Canada has been focusing its market promotion on in-store promotion of chilled pork bellies to promote the idea of barley fed pork, as a healthy alternative to regular pork bellies. USMEF has also promoted chilled pork bellies and boston butts at in-store promotional campaigns. However, efforts to overcome the higher price for imported boston butts of 9,200 won/kg. by giving out free sauces versus 8,900 won/kg. for domestic products appear to be an uphill battle. Recently, imported chilled pork bellies (both from United States and Canada) are price competitive against the same domestic cuts. The Meat Education & Research Center (MERC), USMEF's training arm, continues education programs on U.S. meat quality and cuts.

Korean language web sites of interest (some contain limited information in English):

Ministry of Agriculture & Forestry: www.maf.go.kr
National Agricultural Products Quality Service: www.naqs.go.kr
National Agricultural Cooperatives Federation: www.nacf.co.kr
Korea Swine Association: www.koreapork.or.kr

The conversion factors used for converting a carcass to a boneless weight is 1.25 for pork, 1.36 for beef.

Section III: Swine and Pork

In 2002, anticipation of resumption of pork exports to Japan turned into disappointment following an outbreak of foot and mouth diseases (FMD) a couple days after the first shipment left Korea for Japan. However, swine prices remained strong and imports continued to increase due to strong domestic consumption coupled with wholesalers stocking of pork in fear of lack of supply in case the FMD outbreak spread further. Strong domestic demand was supported by the recovering economy, nationwide election, 2002 FIFA World Cup in May/June, etc. As the FMD outbreak was controlled within a couple of months without vaccination and confined to only a part of the nation, the need for stock-piling dropped. Thus, as supply into the market increases and as the summer picnic demand ends, swine prices are expected to remain weak during the second half of 2002.

Korea plans to request that OIE recognize Korea as being free from FMD on September 24, 2002, which would be three-months after the last slaughter/burial of the animals on the infected farms took place. As final recognition of FMD-free status would not take place until the end of November at OIE's meeting in France, and subsequent bilateral consultations, it will not be until spring of 2003 that Korea will be able to resume its pork exports to Japan. Meanwhile, the Philippines continues to import from Cheju Island, a remote Korean island where there has not been an FMD outbreak. Korea plans to undertake negotiations with the Philippines and Russia so that pork from regions of Korea where there was not a FMD outbreak, exports can restart from the end of 2002.

Korean consumers' reaction to the outbreak of FMD in early May 2002, compounded by the finding of BSE in Japan, appears to have engendered less concern than when FMD first broke out in March 2000. Consumption did not plunge for months as it did in 2000. This seems to be due to several reasons; 1) less coverage by media as the outbreak was confined to a small area; 2) no escalating panic as there was no media coverage of the massive incineration of thousands of animals in Europe; 3) The whole country and media were geared towards the FIFA world cup and thus, such FMD outbreaks were easily overshadowed.

Korea will continue its herd expansion throughout 2003 in anticipation of the resumption of pork exports to Japan as early as March 2003. Thus, the overall size of the pork farming sector is expected to continue its increase throughout 2003. Pork stocks remain heavy with cuts unpopular in Korea. With resumption of exports to the Japanese market in 2003, such stocks will be funneled into export channels. Import demand is driven by a shortage of popular cuts (i.e., pork bellies). In 2003, such phenomena are expected to continue as Korean imports pork bellies and exports unpopular cuts such as tenderloin. China's entry into WTO has not had an impact on Korea's pork import market, due to sanitary reasons - FMD regarding Chinese products. If Korea grants certain regions of China "FMD-free" status, cheap Chinese pork would likely be imported for use in the processing sector.

The Ministry of Agriculture & Forestry assistance to the swine sector in 2003 includes the following programs:

Support for Assay Testing: This program is designed to encourage swine farmers to participate in a national assay testing program to improve the genetics of Korean swine and to prepare for the reopening of the export market to Japan. The program provides 3,200 won/head (\$2.68) for a third-party assay test, and 2,300 won/head (\$1.93) for a self-administered assay test. The program also provides 200,000 won/head (around \$168) for purchase of breeding boars produced via artificial insemination. For 2003, the program budget jumped to 485 million won (approximately \$408,000) from 159 million won (approximately \$120,000) in 2002.

Loan for procurement of raw ingredient pork: This government loan program provides low interest loans to meat processors to procure pork for processing. Loan terms include an interest rate set at 5 percent per annum and a balloon payment on maturity (i.e., one year loan). For 2003, the program budget increased to 43,730 million won (about \$37 million) from 39,200 million won (about \$33 million) in 2002.

Fund for Production of Standard Swine (export grades): The loss of export markets after the FMD outbreak in 2000 resulted in MAF discontinuation that year of the direct payment program for export grade swine. Presently, MAF provides loans to farmers supplying swine to export firms. Loan terms include an interest rate set at 5 percent per annum and a balloon payment on maturity (i.e., one year loan). For 2003, the program budget doubled to 40,000 million won (about \$34 million) from 20,000 million won in 2002.

Fund for Supporting Farms with Outbreak of Hog Cholera: As Korea has prohibited vaccination of hogs for export to Japan, it has set aside a budget of 500 million won (about \$420,000) in 2003 for the first time to compensate the farms that may have an outbreak of hog cholera.

Korean language web sites of interest (some contain limited information in English):

Ministry of Agriculture & Forestry: www.maf.go.kr
National Agricultural Products Quality Service: www.naqs.go.kr
National Agricultural Cooperatives Federation: www.nacf.co.kr
Korea Swine Association: www.koreapork.or.kr

It should be noted that 2001 trade numbers were changed to incorporate the final trade statistic numbers. The conversion factors used for converting a carcass to a boneless weight is 1.25 for pork, 1.36 for beef.

Section IV: Statistical Tables: Cattle and Beef

PSD for Cattle

PSD Table						
Country	Korea, Republic of					
Commodity	Animal Numbers, Cattle				(1000 HEAD)	
	Revised	2001	Preliminary	2002	Forecast	2003
	Old	New	Old	New	Old	New
Market Year Begin		01/2001		01/2002		01/2003
Total Cattle Beg. Stks	2134	2134	1954	1954	1873	1951
Dairy Cows Beg. Stocks	312	307	318	312	0	308
Beef Cows Beg. Stocks	593	593	532	532	0	550
Production (Calf Crop)	554	554	549	601	0	627
Intra EC Imports	0	0	0	0	0	0
Other Imports	1	1	1	2	0	8
TOTAL Imports	1	1	1	2	0	8
TOTAL SUPPLY	2689	2689	2504	2557	1873	2586
Intra EC Exports	0	0	0	0	0	0
Other Exports	0	0	0	0	0	0
TOTAL Exports	0	0	0	0	0	0
Cow Slaughter	369	369	300	305	0	310
Calf Slaughter	0	0	0	0	0	0
Other Slaughter	360	360	325	295	0	310
Total Slaughter	729	729	625	600	0	620
Loss	6	6	6	6	0	6
Ending Inventories	1954	1954	1873	1951	0	1960
TOTAL DISTRIBUTION	2689	2689	2504	2557	0	2586
Calendar Yr. Imp. from U.S.	0	0	0	0	0	0
Calendar Yr. Exp. to U.S.	0	0	0	0	0	0

PSD for Beef

PSD Table						
Country	Korea, Republic of					
Commodity	Meat, Beef and Veal				(1000 MT CWE)(1000 HEAD)	
	Revised	2001	Preliminary	2002	Forecast	2003
	Old	New	Old	New	Old	New
Market Year Begin		01/2001		01/2002		01/2003
Slaughter (Reference)	729	729	625	600	0	620
Beginning Stocks	79	79	10	25	10	10
Production	220	221	190	180	0	190
Intra EC Imports	0	0	0	0	0	0
Other Imports	246	210	340	355	0	370
TOTAL Imports	246	210	340	355	0	370
TOTAL SUPPLY	545	510	540	560	10	570
Intra EC Exports	0	0	0	0	0	0
Other Exports	0	0	0	0	0	0
TOTAL Exports	0	0	0	0	0	0
Human Dom. Consumption	535	485	530	550	0	560
Other Use, Losses	0	0	0	0	0	0
TOTAL Dom. Consumption	535	485	530	550	0	560
Ending Stocks	10	25	10	10	0	10
TOTAL DISTRIBUTION	545	510	540	560	0	570
Calendar Yr. Imp. from U.S.	112	118	205	205	0	210
Calendar Yr. Exp. to U.S.	0	0	0	0	0	0

Korea: Beef Imports (2001 - 2002)

Country	2001	2002
	Revised	Preliminary
	(In metric tons, product weight equivalent)	
U.S.A.	103,197	176,400
Australia	57,543	89,000
Canada	7,685	15,300
New Zealand	10,248	24,600
Uruguay	1,646	0
Others	311	200
TOTAL	180,630	305,500

Source: Korea Customs Service, Office of Ag. Affairs
Product Weight Equivalent

Korea: Beef Imports (Annual 2001, First Six Months of 2001 and 2002)

(Unit: MT&\$000)

Country	Annual 2001		Jan. - Jun., 2001		Jan. - Jun., 2002	
	Volume	Value	Volume	Value	Volume	Value
U.S.A.	103,197	320,122	39,426	129,486	86,996	257,549
Australia	57,543	122,272	24,502	46,506	37,111	85,914
Canada	7,685	19,864	3,470	9,615	6,364	15,602
New Zealand	10,248	21,645	4,497	9,133	10,261	22,708
Uruguay	1,646	2,984	1,302	2,317	0	0
Japan	208	207	35	31	0	0
Other	103	199	102	251	50	165
TOTAL	180,630	487,293	73,334	197,339	140,782	381,938

Source: Korea Customs Service, Product Weight Equivalent

Korea: Processed Beef Imports (Annual 2001, First Six Months of 2001 and 2002)

(Unit: MT&\$000)

Country	Annual 2001		Jan. - Jun., 2001		Jan. - Jun., 2002	
	Volume	Value	Volume	Value	Volume	Value
U.S.A.	57	188	51	137	6	76
Australia	14	35	14	35	5	13
PRC	86	32	0	0	21	8
Brazil	19	15	2	4	0	0
Other	2	13	2	8	3	13
TOTAL	178	283	69	184	35	110

Source: Korea Customs Service, Product Weight Equivalent (HS 021020 and 160250)

Exports of processed beef products was minimal. Korea exported a total of 12 metric tons in 2001, compared to 7 metrics for total 2000.

Korea: Cattle Slaughter Trend

Month/Year	Total	Cows	Steers
	(Heads slaughtered)		
Total 1997	1,125,281	573,954	551,327
Total 1998	1,282,290	643,266	639,024
Total 1999	1,096,207	614,325	481,882
Total 2000	997,331	547,745	449,586
Total 2001	729,245	369,039	360,206
January, 2001	114,880	57,845	57,035
February, 2001	35,261	20,517	14,744
March, 2001	46,065	25,641	20,424
April, 2001	50,157	26,593	23,564
May, 2001	56,630	29,389	27,241
June, 2001	54,251	27,194	27,057
July, 2001	58,756	28,616	30,140
August, 2001	63,785	30,667	33,118
September, 2001	104,247	46,493	57,754
October, 2001	43,011	22,104	20,907
November, 2001	51,729	27,304	24,425
December, 2001	50,473	26,676	23,797
January, 2002	61,945	30,279	31,666
February, 2002	56,998	27,340	29,658
March, 2002	39,807	20,137	19,670
April, 2002	47,563	23,791	23,772
May, 2002	52,528	28,186	24,342
June, 2002	48,553	27,514	21,039
July, 2002	45,442	21,950	23,492

Source: Ministry of Agriculture & Forestry.

Korea: Live Hanwoo Beef Cattle Prices

(Won per head, US\$1=1,190 won)

Month/Year	Calf		500 Kg	
	Female	Male	Female	Male
1999 Average	774,000	1,024,000	2,401,000	2,488,000
2000 Average	1,103,000	1,294,000	2,872,000	2,752,000
2001 Average	1,729,000	1,785,000	3,514,000	3,245,000
January, 2001	1,191,000	1,335,000	2,985,000	2,807,000
February, 2001	1,297,000	1,426,000	2,964,000	2,743,000
March, 2001	1,416,000	1,500,000	2,973,000	2,680,000
April, 2001	1,519,000	1,581,000	3,009,000	2,691,000
May, 2001	1,607,000	1,640,000	3,058,000	2,665,000
June, 2001	1,731,000	1,732,000	3,120,000	2,715,000
July, 2001	1,855,000	1,855,000	3,373,000	3,034,000
August, 2001	1,847,000	1,876,000	3,649,000	3,344,000
September, 2001	1,888,000	1,931,000	3,857,000	3,585,000
October, 2001	1,975,000	2,044,000	4,030,000	3,953,000
November, 2001	2,098,000	2,165,000	4,539,000	4,618,000
December, 2001	1,978,000	2,098,000	4,565,000	4,531,000
January, 2002	1,973,000	2,098,000	4,467,000	4,252,000
February, 2002	2,061,000	2,150,000	4,304,000	3,964,000
March, 2002	2,094,000	2,134,000	4,048,000	3,449,000
April, 2002	2,057,000	2,079,000	3,864,000	3,209,000
May, 2002	2,146,000	2,163,000	4,003,000	3,426,000
June, 2002*	2,169,000	2,118,000	4,074,000	3,300,000
July, 2002	2,325,000	2,315,000	4,050,000	3,652,000
August, 2002	2,360,000	2,319,000	4,117,000	3,869,000

Source: Ministry of Agriculture & Forestry, National Agricultural Cooperatives Federation

* Represents partial average, due to closure of some cattle markets because of the FMD outbreak.

Korea: Hanwoo Cattle Inventory

(1,000 Household, 1,000 Head)

Month/ Year	House- hold	Total Stock	By Age			Cow	
			Under 1 year old	1-2 year old	Over 2 year old	1-2 year old	Over 2 year old
Mar. '97	509	2,827	1,109	492	1,226	270	1,210
Jun. '97	501	2,927	1,215	494	1,218	280	1,204
Sep. '97	482	2,880	1,191	528	1,161	277	1,146
Dec. '97	465	2,735	1,102	535	1,098	275	1,082
Mar. '98	474	2,762	1,043	580	1,139	300	1,118
Jun. '98	466	2,750	1,058	588	1,104	305	1,082
Sep. '98	450	2,633	1,015	585	1,033	306	1,013
Dec. '98	427	2,383	895	556	932	296	913
Mar. '99	413	2,198	812	503	883	276	862
Jun. '99	399	2,167	801	512	854	280	834
Sep. '99	372	2,094	758	520	816	272	794
Dec. '99	350	1,952	717	489	746	256	726
Mar. '00	336	1,819	646	461	712	239	690
Jun. '00	326	1,801	666	434	701	215	678
Sep. '00	305	1,713	642	412	659	199	639
Dec. '00	290	1,590	589	390	611	188	593
Mar. '01	267	1,476	540	361	575	172	556
Jun. '01	260	1,507	544	383	580	178	562
Sep. '01	247	1,485	544	370	571	171	552
Dec. '01	235	1,406	506	351	549	163	532
Mar. '02	227	1,371	499	328	544	149	525
Jun. '02	224	1,448	558	324	566	146	546

Source: National Agricultural Quality Service

Note: Total animal numbers may not add up, due to rounding.

Korea: Hanwoo Cattle - Cow/Calf Ratio

(1,000 Head)

Month/Year	Calf (under 1 year)	Cow (Over 1 year)	Ratio (%)
Sep. '96	1,180	1,468	80.4
Dec. '96	1,131	1,468	77.0
Mar. '97	1,109	1,480	74.9
Jun. '97	1,215	1,484	81.9
Sep. '97	1,191	1,423	83.7
Dec. '97	1,102	1,357	81.2
Mar. '98	1,043	1,418	73.6
Jun. '98	1,058	1,387	76.3
Sep. '98	1,015	1,319	77.0
Dec. '98	895	1,209	74.0
Mar. '99	812	1,138	71.4
Jun. '99	801	1,114	71.9
Sep. '99	758	1,066	71.1
Dec. '99	717	982	73.0
Mar. '00	646	929	69.5
Jun. '00	666	893	74.6
Sep. '00	642	838	76.6
Dec. '00	589	781	75.4
Mar. '01	540	728	74.2
Jun. '01	544	740	73.5
Sep. '01	544	723	75.2
Dec. '01	506	695	72.8
Mar. '02	499	674	74.0
Jun. '02	558	692	80.6

Source: National Agricultural Quality Service

Korea: Cattle/Beef Tariff Table for CY2002

(N: In-quota / M: Out-of-quota)

Tariff Number	Product Description	WTO Bound Rate	Current Applied Rate	Other Info.
0102.10.1000	Pure-bred breeding milch cow	N: 0 M: 91.1%	N: 0 M: 91.1%	Total In-quota amounts for these three HS numbers are 972 heads.
0102.10.2000	Pure-bred breeding beef cattle	N: 0 M: 91.1%	N: 0 M: 91.1%	
0102.10.9000	Pure-bred breeding - other	N: 0 M: 91.1%	N: 0 M: 91.1%	
0102.90.1000	Other milch cow	40.9 %	40.9 %	Import was liberalized on Jan. 1, 2001.
0102.90.2000	Other beef cattle	40.9 %	40.9 %	
0102.90.9000	Other	0	0	
0201.00.0000	Beef (Fresh or chilled)			
0201.10.0000	Carcass and half-carcass	40.9 %	40.9 %	Import was liberalized on Jan. 1, 2001.
0201.20.0000	Other cuts with bone in	40.9 %	40.9 %	
0201.30.0000	Boneless	40.9 %	40.9 %	
0202.00.0000	Beef (Frozen)			
0202.10.0000	Carcass and half-carcass	40.9 %	40.9 %	Import was liberalized on Jan. 1, 2001.
0202.20.0000	Other cuts with bone in	40.9 %	40.9 %	
0202.30.0000	Boneless	40.9 %	40.9 %	
0206.10.0000	Beef offal (Fresh or chilled)	18.4 %	18.4 %	
0206.20.0000	Beef offal (Frozen)			
0206.21.0000	Tongues	19.1 %	19.1 %	
0206.22.0000	Livers	19.1 %	19.1 %	
0206.29.0000	Other			
0206.29.1000	Tails	18.4 %	18.4 %	
0206.29.2000	Feet	18.4 %	18.4 %	
0206.29.9000	Other	18.4 %	18.4 %	

0210.20.0000	Meat & edible meat offal of bovine animals, salted, in brine, dried or smoked; edible flours and meals of meat or meat offal of bovine animals			
0210.20.1000	Dried or smoked	27.6%	27.6%	
0210.20.9000	Other	27.6%	27.6%	
1602.50.0000	Other prepared or preserved meat, meat offal or blood, of bovine animals			
1602.50.1000	In airtight containers	73.6%	73.6%	
1602.50.9000	Other	73.6%	73.6%	

Source: Korea Customs and Trade Institute

N: in-quota rate; M: out-quota rate.

Section V: Statistical Data: Swine and Pork

PSD for Swine

PSD Table						
Country	Korea, Republic of					
Commodity	Animal Numbers, Swine				(1000 HEAD)	
	Revised	2001	Preliminary	2002	Forecast	2003
	Old	New	Old	New	Old	New
Market Year Begin		01/2001		01/2002		01/2003
TOTAL Beginning Stocks	7350	7350	7751	7856	8270	7951
Sow Beginning Stocks	912	912	930	955	0	961
Production (Pig Crop)	14700	15029	15200	15894	0	16608
Intra EC Imports	0	0	0	0	0	0
Other Imports	1	1	2	1	0	1
TOTAL Imports	1	1	2	1	0	1
TOTAL SUPPLY	22051	22380	22953	23751	8270	24560
Intra EC Exports	0	0	0	0	0	0
Other Exports	0	0	0	0	0	0
TOTAL Exports	0	0	0	0	0	0
Sow Slaughter	0	0	0	0	0	0
OTHER SLAUGHTER	14100	14324	14485	15500	0	16360
Total Slaughter	14100	14324	14485	15500	0	16360
Loss	200	200	198	300	0	200
Ending Inventories	7751	7856	8270	7951	0	8000
TOTAL DISTRIBUTION	22051	22380	22953	23751	0	24560
Calendar Yr. Imp. from U.S.	1	1	1	1	0	1
Calendar Yr. Exp. to U.S.	0	0	0	0	0	0

PSD for Pork

PSD Table						
Country	Korea, Republic of					
Commodity	Meat, Swine				(1000 MT CWE)(1000 HEAD)	
	Revised	2001	Preliminary	2002	Forecast	2003
	Old	New	Old	New	Old	New
Market Year Begin		01/2001		01/2002		01/2003
Slaughter (Reference)	14100	14324	14485	15500	0	16360
Beginning Stocks	120	120	120	120	85	120
Production	1065	1077	1085	1165	0	1230
Intra EC Imports	0	0	0	0	0	0
Other Imports	122	123	130	135	0	140
TOTAL Imports	122	123	130	135	0	140
TOTAL SUPPLY	1307	1320	1335	1420	85	1490
Intra EC Exports	0	0	0	0	0	0
Other Exports	43	41	70	14	0	80
TOTAL Exports	43	41	70	14	0	80
Human Dom. Consumption	1144	1159	1180	1286	0	1310
Other Use, Losses	0	0	0	0	0	0
TOTAL Dom. Consumption	1144	1159	1180	1286	0	1310
Ending Stocks	120	120	85	120	0	100
TOTAL DISTRIBUTION	1307	1320	1335	1420	0	1490
Calendar Yr. Imp. from U.S.	14	15	15	15	0	16
Calendar Yr. Exp. to U.S.	0	0	0	0	0	0

Korea: Pork Imports (2001 - 2002)

Country	2001	2002
	Revised	Preliminary
	(In metric tons, product weight equivalent)	
U.S.A.	11,794	12,000
Canada	28,006	31,500
Denmark	15,768	18,500
Hungary	10,649	13,100
Belgium	10,393	20,400
Netherlands *	6,099	22
France *	5,545	23
Austria	2,623	4,000
Australia	2,231	2,800
Finland	2,099	2,500
Poland	1,256	1,200
United Kingdom *	748	0
Sweden	575	1,000
Ireland *	111	0
Mexico	69	300
Others	300	655
TOTAL	98,266	108,000

Source: Korea Customs Service, Ag Affairs

Note: * Countries not recognized as FMD-free.

Korea: Pork Imports (Annual 2001, First Six Months of 2001 and 2002)

Country	Annual 2001		Jan. - Jun., 2001		Jan. - Jun., 2002	
	Volume (MT)	Value (\$000)	Volume (MT)	Value (\$000)	Volume (MT)	Value (\$000)
U.S.A.	11,794	11,556	4,440	4,997	7,183	7,202
Canada	28,006	22,521	13,611	11,514	17,220	15,141
Denmark	15,768	31,536	6,919	14,943	10,135	19,171
Hungary	10,649	23,577	5,186	10,811	7,154	17,173
Belgium	10,393	28,467	3,171	8,839	11,175	29,877
Netherlands	6,099	14,675	5,358	12,683	22	66
France	5,545	15,802	4,859	13,768	23	74
Austria	2,623	7,028	926	2,221	2,203	5,683
Australia	2,231	4,434	901	1,737	1,547	2,538
Finland	2,099	6,259	963	2,711	1,382	3,855
Poland	1,256	3,002	538	1,287	640	1,540
United Kingdom	748	657	641	410	0	0
Sweden	575	1,209	169	406	548	822
Ireland	111	96	111	96	0	0
Mexico	69	117	0	0	184	309
Others	300	625	209	456	265	695
TOTAL	98,266	171,561	48,002	86,879	59,681	104,146

Source: Korea Customs Service, Product Weight Equivalent, H.S. Code: 0203

Korea: Pork Exports (2001 - 2002)

Country	2001	2002
	Revised	Preliminary
	(In metric tons, product weight equivalent)	
Russia	21,450	4,800
Philippine	10,663	5,800
Hong Kong	519	100
Thailand	260	300
Others	237	300
TOTAL	33,129	11,300

Source: Korea Customs Service, Office of Ag. Affairs

Korea: Processed Pork Imports (Annual 2001, First Six Months of 2001 and 2002)

Country	Annual 2001		Jan. - Jun., 2001		Jan. - Jun., 2002	
	Volume	Value	Volume	Value	Volume	Value
	In metric tons and \$000, Product Weight Equivalent					
U.S.A.	236	819	140	453	156	497
PRC	105	127	35	43	68	84
Australia	1	22	1	4	1	2
Canada	0	0	0	0	2	14
Netherlands	0	0	0	0	18	32
Other	1	13	1	13	0	0
TOTAL	343	981	177	513	245	629

Source: Korea Customs Service, Product Weight Equivalent (HS 0210.1, 1602.41, 1602.42)

Korea: Processed Pork Exports (Annual 2001, First Six Months of 2001 and 2002)

Country	Annual 2001		Jan. - Jun., 2001		Jan. - Jun., 2002	
	Volume	Value	Volume	Value	Volume	Value
	In metric tons and \$000, Product Weight Equivalent					
U.S.A.	0	0	0	0	0	0
Philippine	349	484	102	162	0	0
Japan	81	545	45	265	33	245
Brazil	18	35	18	35	0	0
Congo	0	0	0	0	4	22
TOTAL	448	1,064	165	462	37	267

Source: Korea Customs Service, Product Weight Equivalent (HS 0210.1, 1602.41, 1602.42)

Korea: Pork Exports (Annual 2001, First Six Months of 2001 and 2002)

Country	Annual 2001		Jan. - Jun., 2001		Jan. - Jun., 2002	
	Volume (MT)	Value (\$000)	Volume (MT)	Value (\$000)	Volume (MT)	Value (\$000)
U.S.A.	0	0	0	0	0	0
Russia	21,450	27,475	10,339	12,113	4,060	5,818
Philippine	10,663	11,703	5,575	6,393	4,318	2,833
Hong Kong	519	673	359	459	22	18
Thailand	260	44	27	19	272	42
Bulgaria	69	128	69	128	0	0
Malaysia	69	43	0	0	0	0
Australia	49	33	38	23	0	0
Japan	5	13	5	13	0	0
Others	45	79	45	79	40	161
Total	33,129	40,191	16,457	19,227	8,712	8,872

Source: Korea Customs Service, Product Weight Equivalent, H.S. Code 0203.

Korea: Swine Slaughter Trend

Month	2000	2001	2002
	Unit: Heads		
January	1,115,356	1,100,339	1,288,045
February	908,188	1,085,728	1,141,435
March	1,119,417	1,248,553	1,284,482
April	1,075,654	1,153,402	1,269,394
May	1,118,601	1,130,087	1,166,345
June	990,358	1,063,974	1,134,439
July	974,584	1,074,254	1,228,207
August	1,105,776	1,207,573	N/A
September	1,068,171	1,274,895	N/A
October	1,295,891	1,332,652	N/A
November	1,324,068	1,364,433	N/A
December	1,196,988	1,288,381	N/A
TOTAL	13,293,052	14,324,271	8,512,347

Source: Ministry of Agriculture & Forestry

Korea: Live Swine Prices

(Unit: Won per head; Exchange rate is US\$1=1,190 won)

Unit: Won per head, Exchange rate is US\$1=1,170 Won)

Annual Live Swine Prices				
Year	Piglet		Swine (100 Kg)	
1995	49,000		155,000	
1996	48,000		171,000	
1997	53,000		171,000	
1998	50,000		179,000	
1999	59,000		199,000	
2000	54,000		166,000	
2001	55,000		174,000	
Monthly Live Swine Prices				
Month \ Year	Piglet		Swine (100 Kg)	
	2001	2002	2001	2002
January	48,000	60,000	155,000	188,000
February	48,000	61,000	152,000	187,000
March	49,000	62,000	156,000	189,000
April	52,000	65,000	178,000	206,000
May	61,000	68,000	203,000	209,000
June	64,000	69,000	208,000	217,000
July	63,000	65,000	195,000	187,000
August	59,000	57,000	185,000	157,000
September	57,000	N/A	171,000	N/A
October	51,000	N/A	142,000	N/A
November	53,000	N/A	162,000	N/A
December	59,000	N/A	187,000	N/A

Source: National Agricultural Cooperatives Federation

Korea: Swine/Pork Tariff Table for CY2002

Tariff Number	Product Description	WTO Bound Rate	Current Applied Rate	Other Info.
0103.10.0000	Pure-bred breeding swine	N: 0 M: 19.1 %	N: 0 M: 19.1 %	In-quota amount is 1,686 heads.
0103.90.0000	Other swine			
0103.91.0000	Weighting, less than 50 kg	19.1%	19.1 %	
0103.92.0000	Weighting, 50 kg or more	19.1%	19.1%	
0203.10.0000	Pork (Fresh or chilled)			
0203.11.0000	Carcass and half-carcass	23.9 %	23.9 %	
0203.12.0000	Hams, shoulders and cuts, with bone in	23.9 %	23.9 %	
0203.19.1000	Belly	23.9 %	23.9 %	
0203.19.9000	Others	23.9 %	23.9 %	
0203.20.0000	Pork (Frozen)			
0203.21.0000	Carcass and half-carcass	27.4%	27.4 %	
0203.22.0000	Hams, shoulders and cuts, with bone in	27.4%	27.4 %	
0203.29.1000	Belly	27.4%	27.4 %	
0203.29.9000	Others	27.4%	27.4 %	
0206.30.0000	Pork offal (Fresh or chilled)	19.1 %	19.1 %	
0206.40.0000	Pork offal (Frozen)			
0206.41.0000	Liver	19.1 %	19.1 %	
0206.49.1000	Feet	19.1 %	19.1 %	
0206.49.9000	Others	19.1 %	19.1 %	
0206.80.0000	Other offal (Fresh/chilled)	19.1 %	19.1 %	
0206.90.0000	Other offal (Frozen)	19.1 %	19.1 %	
0210.10.0000	Meat & edible meat offal of swine, salted, in brine, dried or smoked; edible flours and meals of meat or meat offal of swine			

0210.11.0000	Hams, shoulders and cuts thereof, with bone-in	27.4%	27.4%	
0210.12.0000	Bellies (streaky) and cuts thereof	33.5%	33.5%	
0210.19.0000	Other	27.4%	27.4%	
1602.40.0000	Other prepared or preserved meat, meat offal or blood, of swine			
1602.41.1000	Hams and cuts thereof in airtight contains	55.2%	55.2%	
1602.41.9000	Hams and cuts thereof, other	33.6%	33.6%	
1602.42.1000	Shoulders and cuts thereof in airtight contains	55.2%	55.2%	
1602.42.9000	Shoulders and cuts thereof, other	33.6%	33.6%	

Source: Korea Customs and Trade Institute

N: in-quota rate; M: out-quota rate.